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OLC 71-0327

4 May 1971

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with William Woodruff re Funding of Cost of
Closing Out Radio Free Europe and Radio Liberty and
Briefing on the Intelligence Community Budget

1. I met with Bill Woodruff, Counsel, Senate Appropriations Committee, today and mentioned that we were talking with the Office of Management and Budget about a possible transfer of funds from [] to the Agency Reserve to cover the expenses involved in closing out Radio Free Europe and Radio Liberty if that step should become necessary. Woodruff expressed his disagreement with this arrangement and a rather lengthy conversation ensued. During this conversation I asked Woodruff if he thought such an arrangement would be illegal. He said he thought not, but added that he was sure Senator Ellender would not be in favor of any further funding of the Radios through confidential funds.

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2. Mr. Woodruff said the Committee had gone along with surge funding of the Radios some years ago with the definite understanding that Agency sponsorship was terminating. He indicated that they absolutely refuse to let the Agency become a "patsy" for another operation like the last one. He added that "they (apparently meaning Mr. Maury and Mr. Abshire and other Agency and State representatives) apparently did not choose to take the message from Mr. Mahon, but they will surely get it from Senator Ellender." He said he would rather see the funds in the supplemental appropriation bill.

3. I tried to make it quite clear to Woodruff that certainly everyone in the Agency, and I believe the State Department also, had accepted the fact that Agency sponsorship of the Radios could not continue. I added that it was obvious that Senator Case and others in the Congress were also determined that this would be the case. I told him that under these circumstances I thought it was unrealistic not to face up to the fact that, if the new Case resolution and the necessary appropriation legislation could not be enacted in time, funds would have to be provided to meet the expenses of shutting down both Radios.

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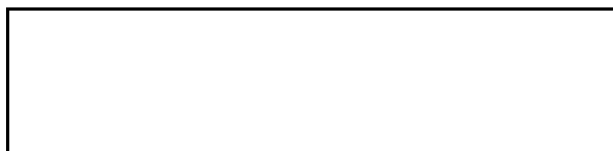
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4. Mr. Woodruff is adamant on the subject of providing any further funds by open appropriation despite my argument that any further public discussion in the Congress of prior CIA covert funding of the Radios was bound to be harmful to their future effectiveness. I raised the possibility of interim financing under the continuing resolution if Mr. Mahon would be willing to include funds for this purpose in the [] appropriations bill passed by the House with the understanding that the Senate Committee would ultimately cut that item from the bill. Woodruff said he didn't think Mahon would do this, but added he would not be in favor of it in any event. We closed discussion of this subject with Woodruff's statement that Assistant Secretary of State for Congressional Relations, David Abshire, would be meeting with Senator Ellender in the near future and perhaps the situation would be clarified at that time.

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5. On the subject of a prebriefing session on the hearings on the intelligence community budget, Woodruff said he could not possibly get together with us this week and added that when we do get together we would have to come down to his office because of his busy schedule. I pointed out that we were anxious to get together with him so that we could work out the arrangements for the session which he had talked with us about a while back. I said I knew the Director would be uneasy about participating in or being present when the Committee queries General Bennett and Admiral Gaylor, since he has no approval function with regard to their budgets. Woodruff said the Director did not necessarily have to be present during the DIA and NSA parts of the hearing and I made a plea that he not be asked to be there. I told him I felt this was our principal concern in such a hearing.

6. We will stay in touch with Woodruff in order to pursue the Committee budget hearing issue further.



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Deputy Legislative Counsel

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